

120-1

When a CalWORKs (formerly AFDC) child moves intercounty to the home of his/her parent or relative, and (1) the parent or relative is receiving CalWORKs from the second county and requests continued CalWORKs for that child or (2) the parent or relative applies for that child, or that child and other persons, the responsibility of the counties during the transfer period (as defined in §40-187.15) is as follows:

1. If the new AU consists of the transferred child plus one or more aid applicants, the first county is responsible for eligibility and aid payment, including adding new applicants to the AU;
2. If the new AU consists of the transferred child and persons currently aided in the second county, the second county is responsible for eligibility and aid payment, including adding transferred persons to the existing AU.

(§40-187.222, effective January 1, 1997, revised to §40-190.222, effective August 21, 2002)

120-2

For purposes of computing the eligibility and grant amount in CalWORKs, family income is to be used. "Family" includes all AU members, plus certain non-AU members living in the home and specified in W&IC §11008.14.

Prior to July 1, 1998, it was the CDSS position that the spouse of an aided child is also treated as a family member, per §44-133.9, and that the individuals described in §44-133.5 are treated as family members per All-County Letter (ACL) No. 97-57 (implementing the *Ortega* order).

The CDSS position was that persons receiving SSI/SSP "... are not included as a family member for purposes of calculating the AU's grant." Additionally, a stepparent or senior parent who is otherwise eligible had the option to be included in the AU.

(All-County Letter No. 97-59, October 14, 1997, p. 2; §44-133.5, as revised effective July 1, 1998)

120-3

An AU is considered to have received a "cash aid payment" per §44-315.9, effective July 1, 1998, even when:

- .911 No payment is sent because of a penalty which reduced the aid payment to zero.
- .912 The grant amount is \$10 or less.
- .913 The grant for the AU is reduced to zero to adjust for an overpayment.

.914 The grant based on On-The-Job Training is diverted to the employer as a wage subsidy to offset the participant's wages, per §42-701.2.

120-4

Since CalWORKs payments are paid in the current month, while foster care (FC) payments are paid in the month after the month in which the child was eligible for benefits, any FC payment received in the first Kin-GAP month shall not be used to reduce the Kin-GAP payment. (All-County Letter No. 00-09, January 10, 2000)

121-1A

From September 1, 1991 through December 31, 1997, the AFDC grant is determined as follows: Determine the MBSAC for the AU in the payment month. Add any special need payment amounts for the AU to the MBSAC. Determine net nonexempt income for the budget month, rounding income to the next lower dollar. Subtract net nonexempt income from the MBSAC plus special need amount. This is the "potential grant" amount. Determine the MAP for the AU. Add the special need payment to the MAP. The actual grant is the lesser of the "potential grant" amount, or the sum of the MAP plus special needs. (§44-315.3, repealed by Assembly Bill No. 1542; W&IC §11450(a); implemented by All-County Letter No. 97-59, October 14, 1997)

121-1B

After an AU has passed the applicant income eligibility test, or has become a recipient AU, that AU must still meet a recipient net income test.

To determine net income for these AUs, add together all income of all family members. Subtract \$225 from any disability-based unearned income.

If there is earned income, subtract any part of the \$225 which has not been disregarded already, and then subtract one-half of the remaining earned income. Net income has been determined. (§§44-113.213 - .217, effective July 1, 1998)

Compare this net income with the MAP for the family, plus special needs. If net income exceeds the MAP plus special needs, the AU is ineligible on a prospective basis.

(W&IC §§11451.5, 11450.12, 11450(a) and (e), 11452; All-County Letter (ACL) No. 97-59, October 14, 1997; §§44-207.1, .2, and 44-113.21, effective July 1, 1998)

The financial eligibility test, set forth above, was modified effective July 1, 1998. Regulations now provide that the applicant or recipient "AU" is financially eligible for any month in which on the first of the month the countable income pursuant to §44-113 is less than the Maximum Aid Payment (MAP) for the AU plus the value of any special need(s). (§44-207.21, effective July 1, 1998)

121-1C

The CalWORKs grant for the AU, in general, is determined as follows:

<p style="text-align: center;">SHD Paraphrased Regulations - CalWORKs</p> <p>120 Budgeting-and-Warrants</p>

- (1) Determine the correct MAP for the family in the payment month. The MAP shall be based on the number of family members, the status of the family (exempt or nonexempt) and the Region (1 or 2).
- (2) Add any special need payment amounts for the family to the MAP.
- (3) Determine net nonexempt income for the family in the budget month. Nonexempt income is computed by adding all nonexcluded income of the family, and allowing the following deductions:
 - A. Allow a deduction, up to \$225, for any disability based unearned income.
 - B. If the family has earned income, allow any or all of the \$225 (in A.) which has not been deducted. Then allow a deduction for 1/2 of the remaining earned income.
- (4) Subtract the net nonexempt income from the MAP plus special need amount for the family. This is the potential grant.
- (5) Determine the MAP for the eligible AU. Add any special needs to which AU members are eligible.
- (6) The actual grant is the lesser of the "potential grant" and the MAP plus special needs.

(All-County Letter No. 97-59, October 14, 1997; W&IC §§11451.5, 11450.12, 11450(a) and (e), 11452; §§44-315.31 - .37, 44-113.213 - .217, as modified July 1, 1998)

121-1D

After appropriate notice, documentation must be provided that all children in the AU who are not required to be enrolled in school have received all age appropriate immunizations. If there is no evidence of exemption from immunization requirements, then the needs of all parents or caretaker relatives in the AU shall not be considered in determining the AU's grant. (W&IC §11265.8(a); All-County Letter No. 97-70, October 28, 1997; §§40-105.4(c) and (g), effective July 1, 1998)

121-2

During the first two months of continuous aid, CalWORKs (formerly AFDC) grants are computed prospectively, which means that the grant entitlement is based on current income in each of those two months. In subsequent months grant entitlements are computed on a retrospective budgeting basis. This means that income received in a given month (the budget month) is used to compute the amount of the grant entitlement two months later (in the payment month). (§§44-313.1 and 44-313.2)

121-2A

SHD Paraphrased Regulations - CalWORKs 120 Budgeting-and-Warrants
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Guidelines (based on federal DHHS instructions) for estimating income for purposes of prospective budgeting during the first two months of aid in accord with §44-313.1 are set forth below.

The county must consider all relevant information in estimating income, and use that income in determining the grant only if the AU and the county worker are reasonably certain that income will be received in the month of application and the following month.

In making estimates, if income is received on a regular basis and if no changes are anticipated, the amount received in the month prior to the month of application can be budgeted in the application month. If the applicant has evidence that the income will be different, the worker should use this new evidence.

If income is sporadic or irregular, the worker may average the income received in the three months prior to the month of application, and use this figure unless it is inappropriate because of a change in the applicant's circumstances, or because of the seasonality of the earnings.

If the applicant is unemployed but will start a new job, the worker should obtain a release from the applicant and try to contact the employer to establish a reasonable estimate of income.

(All-County Letter (ACL) No. 92-107, December 2, 1992)

121-3

For the third and fourth payment periods, the income already used to compute the CalWORKs grant for the first and second payment periods, which is not of a continuous nature, shall not be counted. (§44-313.31)

121-4

Prior to July 1, 1998, state regulations provided that: When aid is discontinued because the estimated total income is expected to result in ineligibility because it is expected to exceed 185% of the AFDC MBSAC, and this amount of income is not actually received, the county shall rescind the discontinuance and issue the correct grant. (§44-207.222(c), repealed effective July 1, 1998)

Effective January 1, 1998, there is no 185% eligibility rule. (All-County Letter No. 97-59, October 14, 1997, implementing Assembly Bill No. 1542)

121-5

The income of an eligible individual added to an existing AU shall be budgeted prospectively for the first two payment months, except in the following situations: (1) When aid is restored following a break in aid from that AU when the break in aid is less than one month, retrospective budgeting shall continue. (2) When the added person's income has been considered when determining the AU's eligibility for the two months

immediately preceding the beginning date of aid, retrospective budgeting shall be used. (§44-313.41)

121-6

In an approved alternate payment system, apply the requirements of §44-313 to these systems by substituting references to "month" with the phrase "twenty-eight through thirty-one day period not limited to a calendar month." (§44-313.51)

121-7

The county shall suspend, not discontinue, aid in the payment month when income or other circumstances in the corresponding budget month appear to result in ineligibility for only one payment month. The recipient need not reapply for aid for the month following the suspension, but, the recipient is required to complete a monthly report for the month of suspension. If it appears that the income or other circumstances from the budget month will result in ineligibility for more than one payment month, aid is discontinued. (§44-315.81)

121-8

Following a suspension of aid, retrospective budgeting shall be used if the family's circumstances have not changed significantly. (§44-315.82)

If the family's circumstances have changed significantly (e.g., loss of a job) concurrent budgeting shall be used. (§44-315.83)

121-9

Except during the first four months of assistance, an AU which is subject to retrospective budgeting shall have its status as an exempt or nonexempt AU based on the AU's status two months prior to the payment month. (§§89-110.292, .283, .293)

121-10

During prospectively budgeted months and the third and fourth months of assistance, the CWD shall use the MAP for an exempt or nonexempt AU based on the exemption status in the payment month. (§89-110.28) The AU which is exempt during any part of a prospectively budgeted month shall be entitled to the exempt MAP in that month. (§89-110.291) An exempt AU is one in which the AU meets the conditions set forth in §89-110.21 at some time during the month. (§89-110.27)

122-1

The beginning date of CalWORKs aid shall not precede the date of application. Aid shall begin on the date of application or the date on which the applicant meets all eligibility conditions, whichever is later. (§44-317.11)

122-2

When the mother of a newborn child is being aided, as a pregnant woman under §44-205.6 (now §88-410 for the state program, and §82-836.1 for the federal program), or is receiving a pregnancy special need payment in the month of birth, aid for the otherwise

eligible newborn begins on the date of birth, even though verification or documentation of the conditions of eligibility is received at a later date. (§44-317.22)

122-3

The first payment for the addition of a child or a needy relative to the existing AU is classified as an initial payment. (§44-319.13)

122-4

When the beginning date of aid is after the first of the month, the total CalWORKs (formerly AFDC) grant shall be prorated. The prorated grant shall be computed by determining the total monthly grant amount and the actual number of days in the month. The county shall divide the number of days in the month into the monthly grant amount to determine the daily grant. The county shall determine the total number of days for which the recipient is eligible in that month, including the first and last day of aid in that month. The county shall multiply the number of eligible days by the daily grant amount to determine the prorated grant. If the prorated grant amount is not a whole number, then the prorated amount shall be rounded to the next lower whole dollar. (§44-315.72)

122-8

When the CalWORKs (formerly AFDC) individual, family, or child is ineligible at the time of application as provided in W&IC §11052 but it appears that there will be eligibility within 60 days, action on the application is withheld. The applicant should then be notified of the withholding and the date when action is to be taken. If the applicant is subsequently determined to be eligible, the beginning date of aid is determined in accordance with §44-317. (§40-171.11)

122-11

When a person is added to an existing AU, the following establishes the beginning date of aid rules:

- (1) For a person required to be in the AU, the later of the date the person came into the AU's home or the date all eligibility requirements are met.
- (2) For an optional person, the later of the date of application or the date all eligibility requirements are met.
- (3) For a sanctioned or noncooperating person, the later of the date the person meets the condition which led to exclusion or the date all eligibility requirements are met.
- (4) For a person required to be in the AU, for whom aid was not requested, the date all eligibility requirements are met. This date is the date the individual was discovered in the home, providing the individual is cooperating.
- (5) For a newborn, the later of the date of birth (when the child's mother received a pregnancy special need) or the date all eligibility requirements are met.

- (6) For the father of a newborn, the later of the date the child becomes eligible or the date the father meets eligibility conditions.

(§44-318.1)

123-3

An immediate need payment may be made if eligibility for CalWORKs (formerly AFDC) is apparent but not yet verified; there is an emergency situation; resource limitations in §40-129.22 are not exceeded; and technical conditions for CalWORKs are met. (§40-129.21)

123-4

The amount of the immediate need payment shall be the pro-rata grant for the month computed from the date the immediate need payment is authorized, or \$200, whichever is less. (§40-129.23)

123-5

When an immediate need payment has been issued, the county shall verify the applicant's eligibility for aid within 15 working days from the date of the receipt of the immediate need request. This 15-working-day time frame shall apply to immediate need denials when the need was met by another public program or private resource, or when the need for housing was met by issuance of a homeless assistance payment. (§40-129.91)

123-6

If verification of eligibility is completed, and the immediate need applicant is eligible, aid will begin in accord with the beginning date of aid rules at §44-317.1. The amount of the aid payment shall be the grant amount minus the immediate need payment. (§40-129.9)

The county shall issue the payment as soon as administratively possible. (§§40-129.2-.4)

124-1

If a child is living with a caretaker relative, the CalWORKs (formerly AFDC) warrant shall be paid only to the caretaker relative unless such relative has a legally appointed guardian or conservator or there is a substitute payee or there is a vendor designated to receive payment. If the caretaker relative is temporarily absent from the home, the warrant may be paid to a person designated by the caretaker relative. (§44-305.12)

124-3

Aid payment schedules are set forth in §44-304. Except for counties with alternate payment systems, the county shall select either monthly or semimonthly delivery of payments. (Subsection .2) The warrant in any payment system due on the first of the month shall be mailed or forwarded to the electronic fund transfer (EFT) account so it shall be received on the first of the month (unless the CA 7 is received in the last 10 days of the report month). In semimonthly delivery counties, the second warrant shall be mailed or forwarded to the EFT so as to be received by the 15th of the month.

(Subsection .5)

In monthly payment systems the county may opt to offer recipients the option of receiving semimonthly payments on a case-by-case basis. (Subsection .4)

(§44-304.2, .4 and .5, as revised effective December 1, 2001 to provide for EFTs)

124-4

CalWORKs (formerly AFDC) warrants which are lost or destroyed shall be reissued in accordance with Government Code (Gov. C.) §§29850 through 29854. (Handbook §25-330.6)

The Gov. C. provides as follows:

- "(a) To the extent permitted by federal law and notwithstanding Article 3 (commencing with §29850) of Chapter 5 of Division 3 of Title 3 of the Government Code, a public assistance warrant, which has been lost, stolen, destroyed, or lost in the mail, shall be replaced by the county. Prior to replacing the warrant the legal owner or custodian shall comply with either paragraph (1) or paragraph (2), whichever is applicable.
- "(1) Wait five working days, or a lesser period if permitted by the county, from the date that the warrant was mailed in cases where the warrant has been lost in the mail. After the waiting period the warrant shall be deemed to be lost and the legal owner or custodian shall be entitled to file an affidavit of the loss in the mail with the county. The affidavit shall contain information relative to the loss of the warrant in the mail, including the number, date, amount, and name of the payee of the warrant. The county shall assist the legal owner or custodian of the warrant in completing the affidavit.
- "(2) If the warrant was not lost in the mail, an affidavit may be filed immediately with the county. The affidavit shall contain information relative to the loss, theft, or destruction of the warrant, including the number, date, amount, and the name of the payee of the warrant. The county shall assist the legal owner or the custodian of the warrant in the completion of the affidavit.
- "(b) When the affidavit has been signed by the legal owner or custodian of the warrant, the county shall issue a replacement warrant as soon as possible to ensure that the needs of the family continue to be met, but no later than five working days from the date that the affidavit has been signed and filed with the county."

(Gov. C. §§29853.5(a) and (b))

124-4A

Despite the specific language of Gov. C. §§29853.5(a) and (b), the CDSS policy, since at least 1993, had been to permit counties to refuse issuance of AFDC replacement warrants when the particular county determines the warrant was not lost in the mail, or lost, stolen or destroyed.

In *Beverly v. Anderson*, the Sacramento County Superior Court held that Sacramento County was required to issue a replacement warrant to the AFDC recipient who had signed the appropriate affidavit requesting that issuance. Such issuance was required even if the county believed the recipient had received and cashed the original warrant, and then had signed a false affidavit.

The 3rd District Court of Appeal upheld this Superior Court order, stating that the CDSS policy contradicted the language and intent of the law. The Court of Appeal stated that: "The public policy underlying [Gov. C. §29853.5] is to ensure that the needs of public assistance recipients are met without interruption."

(*Beverly v. Anderson* (1999) 76 Cal. App. 4th 480, 90 Cal. Rptr. 2d 545, interpreting Gov. C. §§29853.5(a) and (b))

124-4B

A public assistance warrant which has been lost, stolen, destroyed or lost in the mail shall be reissued in compliance with Government Code (Gov. C.) §§29850 through 29854. (§25-302.1)

Any public assistance payment made by an electronic fund transfer that was not completed due to, but not limited to, closed account, the failure of an electronic fund transfer, or the payment inadvertently went to the wrong account, shall be reissued in compliance with Gov. C. §§29850-29854. (§25-302.3, effective December 1, 2001)

124-5

An electronic fund transfer means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, or computer or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. (§25-301.131, effective December 1, 2001)

124-6

Any recipient eligible to receive a public assistance (PA) payment may authorize his/her grant to be directly deposited by electronic fund transfer at the financial institution of his/her choice, as long as the institution is a participant in the Automated Clearing House. (§25-301.14, effective December 1, 2001)

PA programs include, but are not limited to, CalWORKs, Refugee Resettlement Program, and Kin-GAP. (§25-301.141)

124-7

Enclosures mailed with public assistance payments are restricted to those matters relating to the administration and purpose of the program under which the payment is issued. (§25-330.9)

124-10

An on-line Electronic Benefit Transfer (EBT) is an issuance system in which benefits [food stamps or cash benefits] are stored in a central computer database and electronically accessed by cardholders at a POS terminal, ATM, or other electronic transfer fund device using a reusable plastic card. (Handbook §16-001.1, eff. May 1, 2002)

124-11

Counties shall use the EBT system to issue FS and CFAP benefits. Counties may use the EBT system to issue CalWORKs payments, or other benefits with CDSS approval. (§§16-001.2, .3, eff. May 1, 2002)

124-12

Counties shall ensure EBT issued benefits are available to the recipient in compliance with benefit issuance time frames established by the benefit program regulations, e.g., an FS household entitled to expedited service shall receive FS benefits in accord with §63-301.531. (§16-215.1)

124-13

The county shall immediately provide the EBT cardholder with the toll-free number to call to report a lost or stolen EBT card. (§16-515.1) The county shall provide a replacement EBT card within three business days following a cardholder's request to the county for an EBT replacement card. (§16-517.1)

125-1

The rule prior to January 1, 1998 was that in general, a person is ineligible for AFDC in any month that reported or anticipated gross income exceeds 185% of the Minimum Basic Standard of Adequate Care (MBSAC) for that month plus special needs, or when the actual or anticipated net nonexempt income, as well as the net income actually received, equals or exceeds the MBSAC plus special needs. (§§44-207.2 and 44-207.3, invalidated by Assembly Bill No. 1542, and formally repealed effective July 1, 1998; All-County Letter No. 97-59, October 14, 1997)

125-2

Prior to January 1, 1998, the "185 percent test" (of the MBSAC plus special needs) is applied to reported income and anticipated income. If the income level is expected to continue, the county is to discontinue aid as soon as administratively possible. If the level of income is not expected to continue, aid is to be suspended during the payment month. (§44-207.22; invalidated by Assembly Bill No. 1542, and formally repealed effective July 1, 1998; All-County Letter No. 97-59, October 14, 1997)

125-3

<p style="text-align: center;">SHD Paraphrased Regulations - CalWORKs 120 Budgeting-and-Warrants</p>
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The MBSAC for ____ person(s) as of _____, _____, is \$ _____. (Handbook §44-315.311(a))

125-3A

Effective January 1, _____, the MBSAC for _____ person(s) in Region 1 counties is \$ _____. (Handbook §44-315.311(a))

125-3B

Effective January 1, _____, the MBSAC for _____ person(s) in Region 2 counties is \$ _____. (Handbook §44-315.311(a))

125-3C

As of January 1, 1997, California has characterized its counties as Region 1 and Region 2 counties for CalWORKs (formerly AFDC) purposes.

The following are Region 1 counties: Alameda, Contra Costa, Los Angeles, Marin, Monterey, Napa, Orange, San Diego, San Francisco, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Solano, Sonoma, and Ventura. All other counties are Region 2 counties. (W&IC §11452.018(b))

125-4

The MAP for ____ person(s), as of _____, _____, was \$ _____. (Handbook §44-315.311(a), effective prior to June 1, 1996)

125-4A

The MAP for an Exempt AU of _____ person(s), as of _____, _____, was \$ _____. (Handbook §44-315.311(a))

125-4B

The MAP for a nonexempt AU of _____ person(s), as of _____, _____, was \$ _____. (Handbook §44-315.311(a))

125-4C

Effective _____ 1, _____, the MAP for an exempt AU of ____ person(s) in a Region 1 county is \$ _____. (Handbook §44-315.311(a))

125-4D

Effective _____ 1, _____, the MAP for a nonexempt AU of _____ person(s) in a Region 1 county is \$ _____. (Handbook §44-315.311(a))

125-4E

Effective _____ 1, _____, the MAP for an exempt AU of ____ persons in a Region 2 county is \$ _____. (Handbook §44-315.311(a))

125-4F

<p style="text-align: center;">SHD Paraphrased Regulations - CalWORKs</p> <p>120 Budgeting-and-Warrants</p>

Effective _____ 1, _____, the MAP for a nonexempt AU of _____ persons in a Region 2 county is \$ _____. (Handbook §44-315.311(a))

125-5

Prior to July 1, 1998 for _____ person(s), 185% of the MBSAC, as of _____, 199_, was \$ _____. (Handbook §44-207.113), formally repealed effective July 1, 1998)

As of January 1, 1998, there is no 185% test for CalWORKs applicants or recipients. (All-County Letter No. 97-59, October 14, 1997, implementing Assembly Bill No. 1542)

125-5A

Prior to July 1, 1998, the following Handbook rule was in effect: Effective January 1, 1997, 185% of the MBSAC for _____ person(s) in Region 1 counties is \$ _____. (Handbook §44-315.311(a), formally repealed effective July 1, 1998)

As of January 1, 1998, there is no 185% test for CalWORKs applicants or recipients. (All-County Letter No. 97-59, October 14, 1997, implementing Assembly Bill No. 1542)

125-5B

Prior to July 1, 1998, the following Handbook rule was in effect: Effective January 1, 1997, 185% of the MBSAC for _____ person(s) in Region 2 counties is \$ _____. (Handbook §44-315.311(a), formally repealed effective July 1, 1998)

As of January 1, 1998, there is no 185% test for CalWORKs applicants or recipients. (All-County Letter No. 97-59, October 14, 1997, implementing Assembly Bill No. 1542)

125-8

Prior to January 1, 1998, AFDC financial eligibility (i.e., the comparison of net income to the MBSAC) was determined on the basis of actual net nonexempt income or a reasonable estimate of net nonexempt income expected to be received during the month. Such an estimate must be based on all relevant information available to the county and the recipient. (§44-207.33, revised and renumbered to §44-207.23, effective July 1, 1998)

For a month in which income is to be retrospectively budgeted and for purposes of applying §44-207.33 only, estimated income shall not include the anticipated receipt of a regular and periodic extra paycheck. An AU which received aid for a month based on a reasonable estimate of net nonexempt income shall not later be considered financially ineligible if actual net nonexempt income exceeds the estimate. (Assembly Bill No. 1542, W&IC §§11450.12(a) and (b) eliminated these provisions, as implemented by All-County Letter No. 97-59, October 14, 1997, and formally deleted under revised §44-207.23, effective July 1, 1998)

125-9

Prior to January 1, 1998, for purposes of determining financial eligibility, the earned income exemption (\$30 and one-third) was to be applied only if the person who earned the income was eligible for and received an AFDC payment from any state during at least

one of the immediately preceding four months and is currently included in the AU. (§44-207.322; invalidated by Assembly Bill No. 1542 and formally repealed effective July 1, 1998; All-County Letter No. 97-59, October 14, 1997)

125-10

Prior to January 1, 1998, state regulations provided that when the income received in the first or second month of aid exceeds the 185% income limit and it appears this level of income will not continue, any aid payment received by the AU in the month the excess income was received is an overpayment. (§44-207.221(d); invalidated by Assembly Bill No. 1542 and formally repealed effective July 1, 1998; All-County Letter No. 97-59, October 14, 1997)

125-11

If aid is discontinued because estimated net nonexempt income is expected to result in financial ineligibility and this amount of income is not actually received, the county shall rescind the CalWORKs (formerly AFDC) discontinuance and issue the correct grant. (§44-207.34, renumbered to §44-207.24, effective July 1, 1998)

125-12

The income received during the budget month by an individual deleted from the CalWORKs (formerly AFDC) AU shall not be income to the AU for retrospective budgeting in any payment month following the individual's deletion except when the individual remains in the home following the deletion and has income which is considered available to the AU. (§44-313.42)

125-13

An applicant family shall not be eligible for CalWORKs unless the family's income, excluding the first \$90 of earned income for each employed person, is less than the MBSAC for the family. (W&IC §11450.12; All-County Letter (ACL) No. 97-59, October 14, 1997; §44-207.1, effective July 1, 1998)

125-14

After an AU has passed the applicant income eligibility test, or has become a recipient AU, that AU must still meet a recipient net income test.

To determine net income for these AUs, add together all income of all family members. Subtract \$225 from any disability-based unearned income.

If there is earned income, subtract any part of the \$225 which has not been disregarded already, and then subtract one-half of the remaining earned income. Net income has been determined. (§§44-113.213 - .217, effective July 1, 1998)

Compare this net income with the MAP for the family, plus special needs. If net income exceeds the MAP plus special needs, the AU is ineligible on a prospective basis.

(W&IC §§11451.5, 11450.12, 11450(a) and (e), 11452; All-County Letter (ACL) No. 97-

59, October 14, 1997; §§44-207.1, .2, and 44-113.21, effective July 1, 1998)

The financial eligibility test, set forth above, was modified effective July 1, 1998. Regulations now provide that the applicant or recipient "AU" is financially eligible for any month in which on the first of the month the countable income pursuant to §44-113 is less than the Maximum Aid Payment (MAP) for the AU plus the value of any special need(s). (§44-207.21, effective July 1, 1998)

125-14A

Kin-GAP children shall be treated as "recipients", not applicants, when transferring to Kin-GAP. This status continues even if the case is discontinued and later re-established. (ACL No. 99-97, November 4, 1999)

125-15

The Maximum Aid Payment (MAP) for the Kin-GAP child is the same as the basic foster care rate in the county of responsibility. (All-County Letter (ACL) No. 99-97, November 4, 1999, p. 2) The county of payment responsibility is the county which had the dependency of the Kin-GAP child at the time the guardianship was established. (ACL No. 99-97, p. 1)

125-16

The needs of the following persons are considered in the family MAP (recipient cases) or MBSAC (applicant cases). The family MAP/MBSAC shall include:

- .521 The needs of ineligible aliens who are related to the AU and who would be eligible for aid except for their alien status. These ineligible aliens are: the spouse of an AU member; the parent of a child in the AU; the parent of an ineligible alien child in common who is deprived of parental support or care; the child of an AU member, and the child who is the (half) sibling to a child in the AU.
- .522 The needs of AU members other than those specified in §44-133.4 (which deals with sanctioned or penalized individuals).
- .523 The needs of persons excluded from the AU, set forth in §44-133.51 whose income is being considered.
- .524 The needs of any excluded children identified in §§44-133.51 and .521 whose income is being considered, or other persons living in the home who could be claimed by the person for tax purposes.
- .525 The needs of any excluded spouse of the persons identified in §§44-133.51 and .521 whose income is being considered.

(§44-133.52, as revised July 30, 1999)

126-1

When the minor parent is not exempt from the Minor Parent Requirement, aid shall be paid on behalf of the minor parent to the adult living in the home, or to the group maternity home, per §89-201.1. (§89-201.4)

126-2

Counties shall issue vouchers or vendor payments for at least rent and utilities payments for any AU in which any parent or caretaker relative has been subject to sanction for at least three consecutive months. This procedures shall continue until the sanction is lifted. (W&IC §11453.2; §44-307.12)

A "sanction" must be known in advance to be of three months in duration before W&IC §11453.2 applies. Thus, sanctions imposed on a month-by-month basis, such as those related to immunization or school attendance, do not result in the issuance of vouchers or vendor payments, while those with a fixed period of at least three months, such as second or third instances of welfare-to-work noncompliance, result in that type of restricted issuance. (All-County Letter No. 97-66, p. 3, October 29, 1997)

126-3

Counties must issue vouchers or vendor payments for at least rent and utilities when an otherwise mandatorily included person is determined to be a drug felon under W&IC §11251.3. However, this restricted issuance is not required when the excluded person is a fleeing felon. (All-County Letter No. 97-66, p. 5, October 29, 1997; W&IC §§11251.3 and 11486.5; §44-307.11, effective July 1, 1998)

126-4

Vendor payments are payments made directly to a person or agency supplying goods or services to the recipient or family. (§44-303.3)

Vendor payments are applicable:

- .31 In all aids, for payments on home repairs under special shelter payment provisions.
- .32 In CalWORKs, for use in certain Homeless Assistance cases.
- .33 In CalWORKs, when an adult who would otherwise be a member of the AU becomes ineligible for aid due to a felony conviction (after December 31, 1997, per §44-307.11) related to the use or distribution of a controlled substance.
- .34 In CalWORKs, when a parent or caretaker relative is subject to a sanction for a period of time known in advance to be at least three consecutive months.

(§§44-303.31 - .34)

126-5

When vouchers or vendor payments are issued per §§44-307.11 or .12, counties have the option to issue additional vouchers or vendor payments for other need items if they deem it in the best interest of the recipient child(ren). (§44-307.31)

128-1

Prior to January 1, 1998, state regulations provided that an exempt AFDC AU is one in which there is no parent living in the home, nor any aided stepparent or aided caretaker relative; or where each parent living in the home (including those receiving aid because the only child is excluded), each aided stepparent and each aided caretaker relative, as well as each pregnant woman in her own AU, meets one of the following conditions:

- (1) Receives SSI/SSP, IHSS, State Disability Insurance (SDI), Temporary Worker's Compensation (TWC)-Temporary Disability Indemnity (TDI), or Social Security Disability Insurance (SSDI, AKA RDSI, OASDI) because of a personal disability.
- (2) Is incapacitated, as defined in §41-430.2.
- (3) Could qualify as GAIN exempt under the standards for: Incapacity, set forth in §42-793.1; or providing care for a physically or mentally impaired household member, set forth in §42-795.
- (4) Is less than 19 years old, and is enrolled in a program that will lead to a high school diploma or its equivalent.

(§89-110.2; All-County Letter No. 97-59, October 14, 1997; W&IC §11450.019)

128-1A

State law has provided since August 3, 1995 that certain parents and caretakers of eligible AFDC children (then TANF, and CalWORKs effective January 1, 1998) were not subject to MAP reductions, as long as federal funding was not at risk.

Those AUs exempt from MAP reductions include all those where each parent and caretaker relative in the AU is disabled and receiving benefits under W&IC §§12200 or 12300; individuals who are nonparent caretakers who are not in the AU with the child(ren); and individuals who are disabled and receiving State Disability Insurance benefits or Worker's Compensation Temporary Disability benefits.

(W&IC §11450.019)

128-1B

Effective January 1, 1998, the CDSS has informed the counties that a termination of federal waivers means that certain families no longer receive the higher, or Exempt, MAP. (All-County Letter (ACL) No. 97-59, October 14, 1997)

Exempt MAPs, as the CDSS interprets W&IC §11450.019, include those when every parent or caretaker relative in the AU is disabled and receiving: SSI/SSP; IHSS; SDI;

TWC; or TDI; or those where the individual is a nonparent caretaker not included in the AU. (ACL No. 97-59, Attachment 3)

Emergency regulations were filed effective January 1, 1998 to delete receipt of SSDI and determinations of incapacity, GAIN exemptions, and students under 19 as bases of Exempt status. (§§89-110.225, .24)

128-3

When exempt AU status results from a request for review by the AU, the county shall not treat the AU as an exempt AU prior to the month the county receives the request.

(§89-110.271; All-County Letter No. 96-28, May 23, 1996, Attachment 1, p. 5)

128-4

When exempt AU status is established based on county review--such as when the required AU members are GAIN exempt under §§42-793 or 42-795, AFDC incapacitated parent, unaided nonparent caretaker relative, under 19 years old and in a program leading to a high school or equivalent diploma, or in receipt of qualifying income--then the AU is exempt the month in which the qualifying conditions are met. The claimant need not make a request, nor, in the case of qualifying income, is a timely report required. (All-County Letter No. 96-28, May 23, 1996, pp. 3-4, interpreting §§89-110.26, .27 and 44-340.31)

128-5

Except during the first four months of assistance, an AU which is subject to retrospective budgeting shall have its status as an exempt or nonexempt AU based on the AU's status two months prior to the payment month. (§§89-110.292, .283, .293)

128-6

When an AU has requested exempt status on or after September 1, 1996, the county must make a status determination by the 16th calendar day after receipt of the request. (All-County Letter No. 96-28, May 23, 1996)

128-7

A caretaker relative is a relative who lives with a child who is part of the filing unit and exercises responsibility for the day-to-day care and control of the child. (§80-301c.) The caretaker relative may be any relative by blood, marriage, or adoption who is within the fifth degree of kinship to the eligible child. (§82-808.1)

128-8

During prospectively budgeted months and the third and fourth months of assistance, the CWD shall use the MAP for an exempt or nonexempt AU based on the exemption status in the payment month. (§89-110.28) The AU which is exempt during any part of a prospectively budgeted month shall be entitled to the exempt MAP in that month. (§89-110.291) An exempt AU is one in which the AU meets the conditions set forth in §89-110.21 at some time during the month. (§89-110.27)

128-11

It is the position of the CDSS that when a minor parent is living with a senior parent, exempt AU status can be established as follows:

1. If the minor parent (whether excluded or included in the AU) is the only caretaker relative in the AU, only the minor parent must meet the exemption criteria.
2. If both the senior parent and the minor parent are included in the AU, both must meet exemption criteria.

(All-County Letter No. 97-17, March 14, 1997)